

10 U.S.C. 2865

Energy Savings at Military Installations

(a) Energy performance goal and plan. (1) The Secretary of Defense shall designate an energy performance goal for the Department of Defense for the years 1991 through 2000.

(2) To achieve the goal designated under paragraph (1), the Secretary shall develop a comprehensive plan to identify and accomplish energy conservation measures to achieve maximum cost-effective energy savings.

(3) For the purpose of implementing any energy performance plan, the Secretary shall provide that the selection of energy conservation measures, including energy efficient maintenance, under such plan shall be limited to those with a positive net present value over a period of 10 years or less.

(4) In paragraph (3), the term “energy efficient maintenance” includes—

(A) the repair by replacement of equipment or systems, such as lighting, heating, or cooling equipment or systems or industrial processes, with technology that—

(i) will achieve the most cost-effective energy savings over the life-cycle of the equipment or system being repaired; and

(ii) will meet the same end needs as the equipment or system being repaired.

(B) improvements in an operation or maintenance process, such as improved training or improved controls, that result in reduced costs through energy savings.

(b) Use of energy cost savings—(1) Two-Thirds of the portion of the funds appropriated to the Department of Defense for a fiscal year that is equal to the amount of energy cost savings realized by the Department, including financial benefits resulting from shared energy savings contracts and financial benefits resulting from shared energy savings contracts and financial incentives described in subsection (d)(2), shall remain available for obligation under paragraph (2) through the end of the fiscal year following the fiscal year for which the funds were appropriated, without additional authorization or appropriation.

(2) The Secretary shall provide that the amount that remains available for obligation under paragraph (1) and section 2866(b) of this title, and the funds made available under section 2483(b)(2) of this title, shall be used as follows:

(A) One-half of the amount shall be used for the implementation of additional energy conservation measures and for water conservation activities at such buildings, facilities, or installation of the Department of Defense as may be designated (in accordance with regulations prescribed by the Secretary of Defense) by the head of the department, agency, or instrumentality that realized the savings referred to in paragraph (1) or in section 2866(b) of this title.

(B) One-half of the amount shall be used at the installation at which the savings were realized, as determined by the commanding officer of such installation consistent with applicable law and regulations, for—

(i) improvements to existing military family housing units;

(ii) any unspecified minor construction project that will enhance the quality of life of personnel; or

(iii) any morale, welfare, or recreation facility or service.

(c) Shared energy savings contracts—(1) The Secretary of Defense shall develop a simplified method of contracting for shared energy savings contract services that will accelerate the use of these contracts with respect to military installations and will reduce the administrative effort and cost of the part of the Department as well as the private section.

(2)(A) In carrying out paragraph (1), the Secretary of Defense may—

(i) request statements of qualifications (as prescribed by the Secretary of Defense), including financial and performance information, from firms engaged in providing shared energy savings contracting.

(ii) designate from the statements received, with an update at least annually, those firms that are presumptively qualified to provide shared energy savings services;

(iii) select at least three firms from the qualifying list to conduct discussions concerning a particular proposed project, including requesting a technical and price proposal from such selected firms for such project; and

(iv) select from such firms the most qualified firm to provide shared energy savings services pursuant to a contractual arrangement that the Secretary determines is fair and reasonable, taking into account the estimated value of the services to be rendered and the scope and nature of the project.

(B) In carrying out paragraph (1), the Secretary may also provide for the direct negotiation, by departments, agencies, and instrumentalities of the Department of Defense, of contracts with shared energy savings contractors that have been selected competitively and approved by any gas or electric utility serving the department, agency, or instrumentality concerned.

(d) Energy savings activities—(1) The Secretary of Defense shall permit and encourage each military department, Defense Agency, and other instrumentality of the Department of Defense to participate in programs conducted by any gas or electric utility for the management of electricity demand or for energy conservation or by any utility for water conservation activities.

(2) The Secretary of Defense may authorize any military installation to accept any financial incentive, goods, or services generally available from a gas or electric utility, to adopt technologies and practices that the Secretary determines are cost effective for the Federal Government.

(3) Subject to paragraph (4), the Secretary of Defense may authorize the Secretary of a military department having jurisdiction over a military installation to enter into agreements with gas or electric utilities to design and implement cost-effective demand and conservation incentive programs (including energy management services, facilities alterations, and the installation and maintenance of energy savings devices and technologies by the utilities) to address the requirements and circumstances of the installations.

(4)(A) If an agreement under paragraph (3) provides for a utility to advance financing costs for the design or implementation of a program referred to in that paragraph to be repaid by the United States, the cost of such advance may be recovered by the utility under terms no less favorable than those applicable to its most favored customer.

(B) Subject to the availability of appropriations, repayment of costs advanced under subparagraph (A) shall be made from funds available to a military department for the purchase of utility services.

(C) An agreement under paragraph (3) shall provide that title to any energy-saving device or technology installed at a military installation pursuant to the agreement vest in the United States. Such title may vest at such time during the term of the agreement, or upon expiration of the agreement, as determined to be in the best interests of the United States.

(e) Energy conservation construction projects.—(1) The Secretary of Defense may carry out a military construction project for energy conservation, not previously authorized, using funds appropriated or other wise made available for that purpose.

(2) When a decision is made to carry out a project under paragraph (1), the Secretary of Defense shall notify in writing the Committees of Armed Services and Appropriations of the Senate and House of Representatives of that decision. The project may then be carried out only after the end of the 21-day period beginning on the date the notification is received by such committees.

(f) Annual report—Not later than December 31 of each year, the Secretary of Defense shall transmit an annual report to the Congress containing a description of the actions taken to carry out this section, and the savings realized from such actions, during the fiscal year ending in the year in which the report is made.